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SOURCE Shen Pao.

PRICE AND WAGE PROBLEMS TROUBLE COMMUNISTS

Since the Communists assumed control of North China economy, conditions have become critical with no solution so far. These vexatious problems are reflected in their broadcasts. The economy is not developing according to their preconceived plans. Wages and prices, particularly, present thorny problems.

The Communist answer to the price problem is to increase production. The People's Bank is offering loans to productive enterprises such as ironworks, textile mills, transport facilities, utilities, etc., both private and state-owned.

As to wages, there is much discontent, because wages have not risen to a maintenance-of-living level or the class welfare advocated by the Communist Party. So a "wage payment in goods system" has been devised, whereby 70 percent of the wage is paid in goods supplied by cooperatives, to remove them from price fluctuations.

Two wage disputes arose recently in T'ien-ching, and were handled by Communist authorities. In one case, wages were raised; in the other, wages were reduced, but the workers were given increased protection from hazard, and assured medical care. In both cases, the objective was increased production.

From reliable quarters it is learned that since the Communists took over, work periods have been increased from 8 to 10 hours. Industrious workers are stimulated by such schemes as "labor heroes," and "piece-work wages."

About 30 or 40 percent of Communist radio material reflects the difficulties they are having in the liberated areas. Just now they are interested in increasing output, so as to meet the coming May Day celebration, the first since the North China area was liberated, by promoting a "Great Production Contest," urging the laborers to be labor heroes, heighten efficiency, increase output, and help the Communist Party in "the work of liberation."

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